

ACTION AGENDA

Monday, August 8, 2016
Committee of the Whole
Regular Meeting

COMMITTEE OF THE WHOLE AGENDA

1. CALL TO ORDER, 5:00 P.M.

Mayor Wythe called the meeting to order at 5:00 p.m.

2. AGENDA APPROVAL (Only those matters on the noticed agenda may be considered, pursuant to City Council's Operating Manual, pg. 6)

The agenda was approved by consensus of the Council.

3. Resolution 16-080, A Resolution of the Homer City Council Reconfirming the Sister City Relationship With Teshio, Hokkaido, Japan. Lewis.

4. Resolution 16-084, A Resolution of the Homer City Council Approving an Amendment to the Michael Yourkowski Lease on Lot 88-2, Homer Spit Sub No. 2 Amended, to Permit the Use of 611 Square Feet of the City of Homer's Right of Way for Restaurant Seating, Amending the Base Rent to Be Paid in Quarterly Installments, and Amending Verbiage Related to Subleasing to Bring It To-Date With Current Policies, and Authorizing the City Manager to Execute the Appropriate Documents. City Manager.

Memorandum 16-128 from Lease Committee as backup.

Memorandum 16-129 from Port and Harbor Advisory Commission as backup.

5. Resolution 16-085, A Resolution of the Homer City Council Approving a Request to Sublease to Michael Yourkowski to Permit Commercial Subleases in Eight Buildings Located on the Leased Property Lot 88-2, Homer Spit Sub No. 2 Amended. City Manager.

Memorandum 16-128 from Lease Committee as backup.

Memorandum 16-129 from Port and Harbor Advisory Commission as backup.

6. Resolution 16-086, A Resolution of the Homer City Council Awarding to Global Sustainable Fisheries of Alaska a 20-Year Lease With Two, Five-Year Options for Lot 9-A and Lot 10-A, Homer Spit Replat 2006, With a Base Rent of \$36,133.00 Per Year, and

Authorizing the City Manager to Move Forward With Lease Negotiations and Execute the Appropriate Documents. City Manager.

Memorandum 16-130 from Lease Committee as backup.

Memorandum 16-131 from Port and Harbor Advisory Commission as backup.

7. 2017 BUDGET PRIORITIES

8. CONSENT AGENDA

9. REGULAR MEETING AGENDA

10. COMMENTS OF THE AUDIENCE

There was one who commented.

11. ADJOURNMENT NO LATER THAN 5:50 P.M.

Mayor Wythe adjourned the meeting at 5:36 p.m.

REGULAR MEETING AGENDA

Session 16-16 a Regular Meeting of the Homer City Council was called to order on August 8, 2016 at 6:00 p.m. by Mayor Mary E. Wythe at the Homer City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska, and opened with the Pledge of Allegiance.

PRESENT: COUNCILMEMBERS: ADERHOLD, LEWIS, REYNOLDS, SMITH, VAN DYKE, ZAK

STAFF: CITY MANAGER KOESTER
CITY CLERK JOHNSON
CITY ATTORNEY WELLS
CITY PLANNER ABBOUD
FINANCE DIRECTOR LI
LIBRARY DIRECTOR DIXON
PORT AND HARBOR DIRECTOR HAWKINS

Department Heads may be called upon from time to time to participate via teleconference.

2. AGENDA APPROVAL

(Addition of items to or removing items from the agenda will be by unanimous consent of the Council. HCC 1.24.040.)

The following changes were made: **PUBLIC HEARINGS - Ordinance 16-38(S)**, An Ordinance of the City Council of Homer, Alaska, Amending HCC 7.04.030, Traffic Fine Schedules, and Enacting Homer City Code Chapter 7.15, Animals in Vehicles, Regarding Animals in Vehicles; and Amending Homer City Code Title 20, Animals, Regarding the Regulation and Impoundment of Animals, and Penalties for Animal Violations. City Manager/Police Chief. Written public testimony.

The agenda as amended was approved by consensus of the Council.

3. PUBLIC COMMENTS UPON MATTERS ALREADY ON THE AGENDA

There were ten who commented.

4. RECONSIDERATION

5. CONSENT AGENDA

(Items listed below will be enacted by one motion. If separate discussion is desired on an item, that item may be removed from the Consent Agenda and placed on the Regular Meeting Agenda at the request of a Councilmember.)

- A. Homer City Council unapproved Regular meeting minutes of July 25, 2016. City Clerk. Recommend adoption.
- B. **Ordinance 16-43**, An Ordinance of the City Council of Homer, Alaska, Amending Ordinance 13-03(S)(2) to Change the Terms for Adjusting the Amortization of Principal of the Natural Gas Distribution Special Assessment Bond Authorized by Ordinance 13-02, and Authorizing an Amendment to the Loan Agreement Between the City and the Kenai Peninsula Borough Regarding the Bond. City Manager. Recommended dates: Introduction August 8, 2016, Public Hearing and Second Reading August 22, 2016.
- C. **Resolution 16-082**, A Resolution of the Homer City Council Approving the Terms and Conditions for the Sale of Parcel No. 175-241-26, T 6S R 14W SEC 24 S.M. HM 0880016 Lillian Walli Estate Lot 57; Parcel No. 175-241-28, T6S R14W SEC 24 S.M. HM0880016 Lillian Walli Estate Lot 58; Parcel No. 175-241-27, T 6S R 14W SEC 24 S.M. HM 0880016 Lillian Walli Estate Lot 59; Parcel No. 175-241-26, T 6S R 14W SEC 24 S.M. HM 0880016 Lillian Walli Estate Lot 60; Parcel No. 175-241-30, T 6S R 14W SEC 24 S.M. HM 0880016 Lillian Walli Estate Lot 65; Parcel No. 175-241-11 T 6S R 14W SEC 24 S.M. HM 0880016 Lillian Walli Estate Lot 66; Parcel No. 175-241-12, T 6S R 14W SEC 24 S.M. HM 0880016 Lillian Walli Estate Lot 67; Parcel No. 175-241-10, T 6S R 14W S.M. HM 0880016 Lillian Walli Estate Lot 70 to the Highest, Responsible Bidder for Those Lots and Authorizing the City Manager to Execute the Appropriate Documents to Finalize the Sales. City

Manager. Recommend adoption.

- D. **Resolution 16-084**, A Resolution of the Homer City Council Approving an Amendment to the Michael Yourkowski Lease on Lot 88-2, Homer Spit Sub No. 2 Amended, to Permit the Use of 611 Square Feet of the City of Homer's Right of Way for Restaurant Seating, Amending the Base Rent to Be Paid in Quarterly Installments, and Amending Verbiage Related to Subleasing to Bring It To-Date With Current Policies, and Authorizing the City Manager to Execute the Appropriate Documents. City Manager. Recommend adoption.

Memorandum 16-128 from Lease Committee as backup.

Memorandum 16-129 from Port and Harbor Advisory Commission as backup.

Moved to Resolutions, Item D. Lewis.

- E. **Resolution 16-085**, A Resolution of the Homer City Council Approving a Request to Sublease to Michael Yourkowski to Permit Commercial Subleases in Eight Buildings Located on the Leased Property Lot 88-2, Homer Spit Sub No. 2 Amended. City Manager. Recommend adoption.

Memorandum 16-128 from Lease Committee as backup.

Memorandum 16-129 from Port and Harbor Advisory Commission as backup.

Moved to Resolutions, Item E. Lewis.

- F. **Resolution 16-086**, A Resolution of the Homer City Council Awarding to Global Sustainable Fisheries of Alaska a 20-Year Lease With Two, Five-Year Options for Lot 9-A and Lot 10-A, Homer Spit Replat 2006, With a Base Rent of \$36,133.00 Per Year, and Authorizing the City Manager to Move Forward With Lease Negotiations and Execute the Appropriate Documents. City Manager. Recommend adoption.

Memorandum 16-130 from Lease Committee as backup.

Memorandum 16-131 from Port and Harbor Advisory Commission as backup.

- G. **Resolution 16-087**, A Resolution of the City Council of Homer, Alaska, Opposing the National Park Service's Closure of the Homer Field Office for Lake Clark National Park. Aderhold. Recommend adoption.

Moved to Resolutions, Item F. Smith.

- H. **Memorandum 16-126**, from Library Advisory Board, Re: Request to Hold a Special Meeting.

The consent agenda as amended was approved by consensus of the Council.

6. VISITORS

- A. Emily E. Stolarcyk, Program Manager for Eyak Preservation Council, Overview of U.S. Navy Training Activities in the Gulf of Alaska, 10 minutes.

Emily Stolarcyk, Program Manager for Eyak Preservation Council made a presentation on the harmful effects of Navy training activities in the Gulf of Alaska.

7. ANNOUNCEMENTS/PRESENTATIONS/BOROUGH REPORT/COMMISSION REPORTS

- A. Borough Report
- B. Commissions/Board Reports:

- 1. Library Advisory Board

Jacque Peterson, Library Advisory Board Member, reported the library summer reading program is wrapping up. This year 423 people participated, an increase of 10% from 2015. Circulation continues to grow with June statistics at 13,953 items checked out, up from 10,423 from the same month in 2015. July circulation statistics had a 10% increase. On Thursdays, August 4, 11, and 18, a three-part video will be shown on Becoming Human. August 10th the Kenai Peninsula Orchestra will present a Children's Concert. In September the Library will be 10 years old; a celebration is planned for September 17th. William Henley, the summer intern, has completed two big projects in the children's area. His position is funded through the Alaska State Library. Lastly, the Tech Insider mentioned the most beautiful libraries in every state, including ours for Alaska.

- 2. Homer Advisory Planning Commission

Planning Commissioner Roberta Highland reported the commission worked on the tower ordinance and hopes it is better. Tower regulations have been a long haul for the commission; fortunately no requests for towers have come before the commission yet. At the last meeting the commission had a long discussion on a plat on Mission Road to vacate a right-of-way easement and vacate a portion of the right-of-way. Both actions were approved. Additionally, the commission is reviewing the Homer Accelerated Water and Sewer Program (HAWSP) and hope to get enough information to make recommendations. Finance Director Li and Public Works Director Meyer made a presentation on HAWSP at their last meeting.

- 3. Economic Development Advisory Commission

3. Parks, Art, Recreation and Culture Advisory Commission

Parks, Art, Recreation and Culture Advisory Commissioner Robert Archibald reported the commission discussed the Capital Improvement Plan (CIP) and will narrow the list down and present several projects. Improvements to the water supply at Jack Gist Park are foremost. On Saturday the Pratt Museum will be working on the trail on Pioneer Avenue from 9:00 a.m. to 2:00 p.m. They are looking for volunteers. People are asked to bring work gloves, shovels, rakes, and wheelbarrows. The animal ordinance did not go before the commission, but while reviewing beaches the commission talked a lot about dogs. There are issues with loose dogs and he questioned how a dog can be under voice control.

4. Port and Harbor Advisory Commission

Cathy Ulmer, Chair of the Port and Harbor Advisory Commission, told Council the East Boat Harbor is needed. We need to rev up the economic engine. On a personal note, she expressed her deep gratitude for Resolution 16-081.

5. Cannabis Advisory Commission

Councilmember Reynolds reported at the last meeting the commission discussed items for the CIP. There was a lot of input from City Attorney Wells regarding marijuana taxes. Councilmember Lewis reported coming up with an excise tax on marijuana will cost \$25,000. We will wait and hope some other government entity comes up with the language so we can piggyback. It will save the City money, attorney time, and keep us out of court.

B. Sister City Teshio Update, by Councilmember Lewis

Councilmember Lewis reported he will be visiting Teshio from September 12 – 16 while on a personal vacation. The only expense to the City will be the costs for gifts and shipping them to Japan.

Mayor Wythe called for a recess at 7:05 p.m. and reconvened the meeting at 7:10 p.m.

8. PUBLIC HEARING(S)

A. 2017 BUDGET PRIORITIES

There was no public testimony.

- B. Ordinance 16-38(S)**, An Ordinance of the City Council of Homer, Alaska, Amending HCC 7.04.030, Traffic Fine Schedules, and Enacting Homer City Code Chapter 7.15, Animals in Vehicles, Regarding Animals in Vehicles; and Amending Homer City Code Title 20, Animals, Regarding the Regulation and Impoundment of Animals, and Penalties for Animal Violations. City Manager/Police Chief. Introduction June 27, 2016, Public Hearings July 25 and August 8, 2016, Second Reading August 8, 2016.

Memorandums 16-026 and 16-111 from Deputy City Clerk as backup.
Memorandum 16-114 from City Attorney as backup.

There was no public testimony.

POSTPONED to August 22, 2016 for Public Hearing and Second Reading.

- C. Ordinance 16-39**, An Ordinance of the City Council of Homer, Alaska, Appropriating Funds in the Amount Of \$5,000 from the Public Safety Building Fund for Public Information Campaign in Support of the Ballot Proposition to Issue General Obligation Bonds not to Exceed \$12 Million Dollars to Finance the Acquisition and Construction of a Police Station and Provide for an Increase in the Rate of City Sales Tax from 4.5% to 5.15% from April 1 through September 30 with the Increase Providing Funds to Pay Debt Service on the General Obligation Bonds and Expiring on September 30 the Year when the City has Received Sufficient Funds from the Increase to Pay all of that Debt Service, Including Information that may Influence the Outcome of the Election on the Proposition. Mayor/City Manager. Introduction July 25, 2016, Public Hearing and Second Reading August 8, 2016.

Memorandum 16-117 from Deputy City Clerk as backup.

There was no public testimony.

ADOPTED without discussion.

- D. **Ordinance 16-40**, An Ordinance of the City Council of Homer, Alaska, Transferring Recreational Powers to the Kenai Peninsula Borough for the Leasing of Borough Property as a Site for an Indoor Athletic Field. City Manager. Introduction July 25, 2016, Public Hearing and Second Reading August 8, 2016.

There was no public testimony.

ADOPTED with discussion.

- E. **Ordinance 16-41**, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2016 Operating Budget to Provide for Necessary Mid-Year Adjustments by Appropriating and Transferring Funds from the General, Water and Sewer and Port and Harbor Funds. City Manager/Finance Director. Introduction July 25, 2016, Public Hearing and Second Reading August 8, 2016.

Memorandum 16-118 from City Manager as backup.

Memorandum 16-132 from City Planner as backup.

Memorandum 16-134 from Finance Director as backup.

There was no public testimony.

Mayor Wythe called for a recess at 7:25 p.m. and reconvened the meeting at 7:35 p.m.

AMENDED: Amounts allocated to individual departments' future health insurance costs instead of individual department reserves.

ADOPTED as AMENDED with discussion.

- F. **Ordinance 16-42**, An Ordinance of the City Council of Homer, Alaska Enacting Homer City Code 10.04.115, Appeal from Port and Harbor Citation Issued Pursuant to Homer City Code Title 7 and Homer City Code Title 10. City Manager. Introduction July 25, 2016, Public Hearing and Second Reading August 8, 2016.

There was no public testimony.

ADOPTED without discussion.

9. **ORDINANCE(S)**

10. CITY MANAGER'S REPORT

A. City Manager's Report

City Manager Koester referenced the letter to Governor Walker and the legislative delegation about a proposed state sales tax. The letter was written at the direction of the Council to express their concern about the impact on the local economy.

The Soundview TAP Grant award will allow for the expansion of more sidewalk. The scope of the project and details will be provided in the next city manager's report. Because federal dollars will be spent the project will be more expensive, but the City hopes to save \$100,000 with our match. We won't have a grant agreement until September because of the internal process at DOT. Although the grant will slow down the project in the end we will have a better project, get more done, and be able to save HART dollars for another use.

The termination of lease negotiations for a communications tower on the Homer Spit is a contractual issue. Council doesn't have a mechanism to intervene. City Manager Koester told Council if the successful bidder feels that they have complaints they can put them in writing. City Attorney Wells added that is a good approach and provides the City opportunity to respond to any concerns that may be raised. The way Homer has set up its administrative and legislative processes, this is a contractual issue.

B. Bid Report

11. CITY ATTORNEY REPORT

Attorney Wells reported there will be an attorney report in the next council packet. There are two Supreme Court cases brought by Frank Griswold. Pleadings are due this month so there will be an update on the report.

12. COMMITTEE REPORT

A. Employee Committee Report

B. Public Safety Building Review Committee

Mayor Wythe announced the next meeting on August 10th at 5:30 p.m.

C. Americans with Disabilities Act Compliance Committee

Councilmember Aderhold announced the next meeting on August 11th at 4:00 p.m.

13. PENDING BUSINESS

- A. **Ordinance 14-18(A)(S)**, An Ordinance of the Homer City Council Amending Homer City Code 21.03.040, Definitions Used in Zoning Code, Homer City Code 21.05.030, Measuring Heights, and Homer City Code 21.70.010, Zoning Permit Required; Repealing Homer City Code Chapter 21.58, Small Wind Energy Systems; and Enacting Homer City Code Chapter 21.58, Towers and Related Structures. Planning. Introduction April 28, 2014 and Referred to Planning Commission. Amended Substitute Adopted March 29, 2016 and Referred to Planning Commission.

Ordinance 14-18(A)(S-2), An Ordinance of the Homer City Council Amending Homer City Code 21.03.040, Definitions Used in Zoning Code, Homer City Code 21.05.030, Measuring Heights, and Homer City Code 21.70.010, Zoning Permit Required; Repealing Homer City Code Chapter 21.58, Small Wind Energy Systems; and Enacting Homer City Code Chapter 21.58, Towers and Related Structures. Planning.

Memorandum 16-127 from City Planner as backup.

SUBSTITUTE ORDINANCE 14-18(A)(S-2) INTRODUCED.

POSTPONED to August 22, 2016 for Public Hearing and Second Reading.

14. NEW BUSINESS

15. RESOLUTIONS

- A. **Resolution 16-080**, A Resolution of the Homer City Council Reconfirming the Sister City Relationship With Teshio, Hokkaido, Japan. Lewis.

ADOPTED with discussion.

- B. **Resolution 16-081**, A Resolution of the City Council of Homer, Alaska, Opposing Siting and Timing of U.S. Navy Training Exercises That Pose Risks to Fish and Fisheries in the Gulf of Alaska. Lewis.

AMENDED: A new whereas clause added after first whereas clause to read: THE CITY OF HOMER RECOGNIZES THE VALUE OF NAVAL PRACTICES IN PREPARING OUR NAVY FOR WARTIME ACTIVITIES; AND

ADOPTED as AMENDED with discussion.

- C. **Resolution 16-083**, A Resolution of the City Council of Homer, Alaska, Supporting the

Cannabis Advisory Commission's Opposition to the Marijuana Control Board's Requirement of Federal Background Checks and Fingerprinting to Receive a Marijuana Handler Permit. Lewis/Cannabis Advisory Commission.

Memorandum 16-133 from Cannabis Advisory Commission as backup.

FAILED with discussion.

- D. **Resolution 16-084**, A Resolution of the Homer City Council Approving an Amendment to the Michael Yourkowski Lease on Lot 88-2, Homer Spit Sub No. 2 Amended, to Permit the Use of 611 Square Feet of the City of Homer's Right of Way for Restaurant Seating, Amending the Base Rent to Be Paid in Quarterly Installments, and Amending Verbiage Related to Subleasing to Bring It To-Date With Current Policies, and Authorizing the City Manager to Execute the Appropriate Documents. City Manager.

Memorandum 16-128 from Lease Committee as backup.

Memorandum 16-129 from Port and Harbor Advisory Commission as backup.

Councilmember Reynolds was excused due to a conflict of interest.

ADOPTED without discussion.

- E. **Resolution 16-085**, A Resolution of the Homer City Council Approving a Request to Sublease to Michael Yourkowski to Permit Commercial Subleases in Eight Buildings Located on the Leased Property Lot 88-2, Homer Spit Sub No. 2 Amended. City Manager.

Memorandum 16-128 from Lease Committee as backup.

Memorandum 16-129 from Port and Harbor Advisory Commission as backup.

Councilmember Reynolds was excused due to a conflict of interest.

ADOPTED without discussion.

- F. **Resolution 16-087**, A Resolution of the City Council of Homer, Alaska, Opposing the National Park Service's Closure of the Homer Field Office for Lake Clark National Park. Aderhold.

ADOPTED with discussion.

16. COMMENTS OF THE AUDIENCE

There was one who commented.

17. COMMENTS OF THE CITY ATTORNEY

City Attorney Wells had no comments.

18. COMMENTS OF THE CITY CLERK

City Clerk Johnson announced candidacy filing for the mayor and two councilmember seats is open until noon on August 15th. Absentee voting for the Primary Election is open now and continues through August 15th at City Hall, downstairs lobby.

19. COMMENTS OF THE CITY MANAGER

City Manager Koester thanked the Planning Commission for taking on HAWSP rewrites and the debt service ratio on special assessment districts. The commission and the Planning Department staff have stretched their noggins to make clear perimeters. She appreciates the hard work and thought the commission is putting into it.

20. COMMENTS OF THE MAYOR

Mayor Wythe thanked Council for the opportunity to be absent from the July 25th council meeting. In twelve years it is the second time she hasn't been at a council meeting. They had a lovely reception for her daughter and son-in-law.

21. COMMENTS OF THE CITY COUNCIL

Councilmember Lewis had no comments.

Councilmember Smith commented funding has been lost for CARTS and the voucher program in the community. The Independent Living Center has received added funding. CARTS is limiting when people can use the vouchers. He encouraged Council to weigh in on that with the director of the Independent Living Center. People should be able to use the vouchers when they want. It is important to community members.

Councilmember Aderhold thanked the people who came out for public testimony and those that sent comments. It is very helpful to her in deciding how to represent residents. She thanked the commissions and committees who do the heavy lifting. She appreciates people reporting from the commissions. Farmers Market is wonderful with fantastic vendors and a lot of people support it. It is great to see the parking lot full on Saturday mornings. People are now being rewarded for riding bicycles with bike bucks. There is no on-street parking on

Ocean Drive and it becomes very unsafe. She asked that people park in the parking lot or in a business nearby that allows parking.

Councilmember Van Dyke commented he is a huge proponent of less government with core responsibilities. One of those is the safekeeping of the people. Emily mentioned the loudness of the sonar at 235 decibels. Mammals or fish are being hit with the sounds 100x louder than a gunshot. The Navy says 20% of the area used will be polluted. Imagine what EPA would do to him. The Navy should do it at another time and further away from shore.

Councilmember Zak appreciates the guests and public testimony here tonight. He attended Salmonfest and met some guests who provided education for citizens to understand our environment. The event is close to Homer, it is well organized, and completely different than what he expected. The Port and Harbor Advisory Commission agrees with the East Boat Harbor expansion. He knows people are having a hard time parking boats. The harbor is a key asset and is operating efficiently on its own. We need to support them. He thanked Roberta for coming to tell us it is time for towers.

Councilmember Reynolds thanked everyone for a great meeting. Participants and commissioners are the experts and we are the generalists. She asked for anyone who is not happy with government to vote. We have the opportunity to change one-third of the council each year. Call her at 299-3410 to see how much work it entails. She appreciates people putting their names in. The syringe exchange program has been extended through November on alternate Tuesdays. There was no added funding; it is a volunteer effort.

22. ADJOURNMENT

There being no further business to come before the Council, Mayor Wythe adjourned the meeting at 8:41 p.m. The next Regular Meeting is Monday, August 22, 2016 at 6:00 p.m. and Committee of the Whole 5:00 p.m. All meetings scheduled to be held in the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.